Posted: May 16, 2003 9:15 a.m.

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, DC

Issued by the Department of Transportation on May 15, 2003

NOTICE OF ACTION TAKEN -- Undocketed

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Joint Request of <u>United Parcel Service Co. and United Air Lines, Inc.</u> filed <u>5/08/03</u> for:

XX Temporary re-allocation to UPS of two U.S. carrier frequencies, currently held by United, to:

Augment UPS' current six day per week service to China by flying double daily services on Tuesdays and Fridays from Anchorage to Shanghai with B-747 freighter aircraft. UPS requests the frequency allocation on a temporary basis from May 8, 2003 through July 5, 2003.

Applicant reps: David Vaughan (UPS) (202) 955-9600; Jeffrey A. Manley (United) (202)663-6000

DOT Analyst: Linda Senese (202) 366-2367

DISPOSITION

XX Granted (temporary reallocation of two United Air Lines China frequencies to UPS)

The above action was taken: <u>May 15, 2003</u>, and is effective for services during the period <u>May 15, 2003</u>, through <u>July 5, 2003</u>

Action taken by: Paul L. Gretch, Director

Office of International Aviation

<u>XX</u> The authority granted is consistent with the aviation agreement between the United States and the People's Republic of China.¹

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated: **XX Holder's certificates of public convenience and necessity**

Remarks: On May 1, 2003, United temporarily suspended operations on nine of its 21 U.S.-China frequencies. By joint letter dated May 8, 2003, United and UPS requested that UPS be allocated two of United's suspended nine frequencies through July 5, 2003.²

We determined, consistent with our traditional approach of favoring maximum use of frequencies, that it was in the public interest to award UPS the two frequencies it requested.

¹ Under the U.S.-People's Republic of China Transport Agreement, the four U.S. designated carriers (United, Northwest, Federal Express, and UPS) may operate a total of 54 weekly frequencies. United has been allocated 21 weekly frequencies; Northwest, 16; Federal Express, 11; and UPS, 6.

² By Notice, dated May 8, 2003, the Department shortened the answer period to the United/UPS request to May 12, 2003, and replies to May 13, 2003. Northwest filed an answer objecting to the transfer of two United frequencies to UPS and requesting a temporary allocation of one of the dormant United frequencies. On May 15, 2003, Northwest withdrew its objection and request.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; and (2) grant of the requests was consistent with the public interest. To the extent not granted or denied, we denied all other requests. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at: http://dms.dot.gov//reports/reports_aviation.asp